

# Instructions for the Plan to Reduce Excess Operating Balance for School Nutrition Programs

School food authorities (SFAs) must submit the [Plan to Reduce Excess Operating Balance for School Nutrition Programs](#) to the Connecticut State Department of Education (CSDE) when their nonprofit school food service account (NSFSA) exceeds three months' average expenditures. SFAs must indicate:

- how the excess balance will be spent to maintain the SFA's nonprofit status; and
- how expenditures will make improvements to the USDA school nutrition programs such as improving food quality, replacing or purchasing necessary equipment, and purchasing necessary supplies and services.

Complete all information on the form following the instructions below. Upload the completed form under "Corrective Action Plan Attachments" in the annual **Financial Report** section of the [Connecticut Online Application and Claiming System for Child Nutrition Programs](#) (CNP System).

The CSDE will review the SFA's *Plan to Reduce Excess Operating Balance for School Nutrition Programs* as part of the SFA's annual Financial Report. Approval of this plan is indicated with the approval of the SFA's Financial Report in the CNP System.

## Part 1: SFA Information

- **Name of SFA:** Enter the full name of the SFA.
- **Sponsor number:** This is the five-digit number on the SFA's Agreement for Child Nutrition Programs (ED-099). SFAs can find this number located above the SFA's name in the [CNP System](#).
- **Excess Balance:** Enter the excess balance (as of June 30) from the SFA's current annual Financial Report in the [CNP System](#). This is the amount listed in **3i "Excess Balance"** under "Computed Operating Position" in the "SNP Financial Form Details" section of the CNP System.

## Part 1: Allowable Expenditures

SFAs must ensure that all purchases made using funds from the NSFSA, including excess cash, are allowable. Provide a detailed description for each planned allowable expenditure. Each expenditure must be used to improve the quality of food served or to purchase needed supplies, services, or equipment to support the CNPs. For additional guidance, refer to the CSDE's guide, *Financial Management Requirements for the School Nutrition Programs*.

- **Description of activity:** Describe the item (e.g., equipment, supplies, or service) that will be purchased. For equipment with a unit cost of \$5,000 or greater that is not included on the

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CSDE's *Capital Expenditure Approved List for School Food Authority Equipment Purchases*, complete and attach the *Equipment Purchase Approval Request Form* to the SFA's completed *Plan to Reduce Excess Operating Balance for School Nutrition Programs*.

- **Estimated cost per unit:** Indicate the estimated cost per unit.
- **Number of units:** Indicate the number of units that will be purchased.
- **Estimated cost:** Indicate the total estimated cost for the items. Multiply the “estimated cost per unit” by the “Number of units”
- **Timeframe:** Indicate when the expenditure will occur. Excess cash must be spent by **June 30** of each year.
- **Total estimated cost:** Indicate the total estimated cost of all listed items. The total estimated cost must be **at least** the amount listed in “Net Cash Resources” in part 1.

## Part 3: Narrative

Briefly describe how the expenses listed in section 1 will benefit the USDA school nutrition programs. Include a brief description of the item, what it will be used for, and how its purchase will benefit the SFA's specific food service operation. For information on allowable expenditures, refer to the CSDE's guide, *Financial Management Requirements for the School Nutrition Programs*.

## Part 4: Signature of SFA's authorized signer 1 or 2

One of the SFA's two authorized signers must sign and date the form. Each sponsor of the NSLP has two designated representatives authorized to enter into an agreement with the CSDE to operate Child Nutrition Programs (ED-099 Agreement for Child Nutrition Programs) and sign the claims for reimbursement.

- **Authorized signer 1** is the designated representative who is authorized to sign the ED-099 Agreement for Child Nutrition Programs and submit claims for reimbursement. This person is the head of the governing body, e.g., the chief officer elected or appointed to assume legal responsibility for the organization (superintendent of schools, president, or chairperson of the board).
- **Authorized signer 2** is the designated representative who is authorized to sign the claims for reimbursement in the absence or incapacity of the first designated individual. This person is the assistant superintendent, business official, principal, headmaster, city or town manager, executive director, or deputy commissioner.

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For information on the school nutrition programs, visit the CSDE's [Financial Management for School Nutrition Programs](#) webpage or contact the [school nutrition programs staff](#) at the Connecticut State Department of Education, School Health, Nutrition and Family Services, 450 Columbus Boulevard, Suite 504, Hartford, CT 06103-1841.

This document is available at [https://portal.ct.gov/-/media/SDE/Nutrition/NSLP/FinancialManagement/Plan\\_Reduce\\_Excess\\_Operating\\_Balance\\_SNP\\_Instructions.pdf](https://portal.ct.gov/-/media/SDE/Nutrition/NSLP/FinancialManagement/Plan_Reduce_Excess_Operating_Balance_SNP_Instructions.pdf).

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Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language), should contact the responsible state or local agency that administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a Complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form which can be obtained online at: <https://www.usda.gov/sites/default/files/documents/USDA-OASCR%20P-Complaint-Form-0508-0002-508-11-28-17Fax2Mail.pdf>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

1. **mail:** U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights  
1400 Independence Avenue, SW  
Washington, D.C. 20250-9410; or
2. **fax:** (833) 256-1665 or (202) 690-7442; or
3. **email:** [program.intake@usda.gov](mailto:program.intake@usda.gov)

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